



State of Utah

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

## Utah State Tax Commission

PAM HENDRICKSON  
*Commission Chair*

R. BRUCE JOHNSON  
*Commissioner*

PALMER DEPAULIS  
*Commissioner*

MARC B. JOHNSON  
*Commissioner*

RODNEY G. MARRELLI  
*Executive Director*

Date

Name

Address

City, State ZIP

### RE: Second Notice – Restaurant Tax

Dear «Name»:

On January 6, 2006, you were sent a notice requesting your cooperation in reviewing your business activities to determine if you qualify as a restaurant. Our records indicate that you have not responded to this request. If you have received this letter and have already sent in your forms, or you have contacted our office and were given additional time, please disregard this notice.

Based upon a recent review of your sales and use tax account by the Auditing Division of the Utah State Tax Commission it appears as though your business may meet the definition of a restaurant per Utah Code §59-12-602(4). A restaurant is any retail establishment whose primary business (more than 50 percent of the revenue) is the sale of prepared foods and beverages for immediate consumption. In addition to sales and use tax, Utah Code §59-12-603 authorizes county governments to impose a tourism (restaurant) tax of up to 1 percent on all sales of prepared foods and beverages by restaurants.

To assist you in determining if your business is operating as a restaurant, we have enclosed **Answers to Frequently Asked Questions**. If you do qualify as a restaurant please indicate as such on the enclosed **Questionnaire** and your sales and use tax account will be set up to start receiving Tax Commission form TC-61F (*Tourism, Recreation, Cultural, Convention Facilities & Car Rental Tax Return*). You will then be required to start collecting and remitting the restaurant tax. If you are not operating as a restaurant, do not disregard this letter. You need to fill out the enclosed **Questionnaire** indicating that you are not operating as a restaurant and state what your primary business activity is.

It is important that you return the completed **Questionnaire** by **March 27, 2006** or contact us immediately so that we can help you comply with the above request. This form is also available, along with the other forms included with this review, at the Tax Commission's website <http://tax.utah.gov/selfreview> (select the **Restaurant Tax** link).

If we do not receive your completed information or do not hear from you by **March 27, 2006**, we will presume that you are operating as a restaurant and your sales and use tax account will be set up to start receiving Tax Commission form TC-61F (*Tourism, Recreation, Cultural, Convention Facilities & Car Rental Tax Return*).

**Any business operating as a restaurant, for purposes of this tax, will be required to collect and remit the restaurant tax for future periods. Businesses complying with this request timely will be liable for future liabilities only and will not have to file and pay the restaurant tax for past periods.**

Once again, it is important that you return the completed **Questionnaire** by **March 27, 2006**. If you have any questions or concerns, please contact Ralph Hoggan at (801) 297- 4759, Mark Long at (801) 297- 4758 or Matthew Duke at (801) 297- 4670. You may also e-mail us at [comp@utah.gov](mailto:comp@utah.gov). Thank you for your prompt attention and cooperation regarding this matter.

Respectfully,

Michael Christensen  
Tax Audit Manager

mal  
Enclosures